## **FPPC**



Fair Political Practices Commission

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## **NEWS ADVISORY**

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## FPPC Considers Clarifying Rules for "Carrying Over" Contributions for State Office Campaigns

The Fair Political Practices Commission on Thursday (February 16) will discuss clarifying the rules governing how candidates for state office can "carry over" contributions to a later campaign for the same state office.

The commission's regular monthly meeting begins at 9:45 a.m. in the FPPC's eighth-floor hearing room at 428 J St. (Fifth and J Streets) in Sacramento.

Proposition 34, approved by voters in 2000, placed contribution limits on campaigns for state elected offices. But among other things, the ballot measure also provided that "…a candidate for elective state office may carry over contributions raised in connection with one election for elective state office to pay campaign expenditures incurred in connection with a subsequent election for the same elective state office." For purposes of the new campaign, the "carried over" dollars are not counted under Proposition 34 contribution limits.

At Thursday's meeting, commission staff will propose regulatory amendments to further clarify and implement this provision of the Political Reform Act. Under the staff proposal, regulation 18537.1 would first be amended to expressly provide that "subsequent election for the same elective office" also refers to a general election or special general election which is connected to the primary election or special primary election for which the funds were raised.

Second, the proposed amendments address how this regulation applies to a candidate who establishes a campaign bank account for an election but does not file the necessary documents to appear on the election ballot, or withdraws from an election prior to an election being held. Two proposed amendment options would prohibit the "carry over" of campaign funds in these situations and would require that the funds be transferred with attribution as required under section 85306 of the Political Reform Act. Unlike "carry

over" funds, these funds would be subject to Proposition 34 contribution limits for purposes of the new campaign committee. (See agenda item #11.)

In other action, the commission will consider a number of enforcement cases as well as proposed regulatory amendments clarifying provisions of the Political Reform Act's gift limits for public officials. Consistent with the Act, proposed amendments to regulation 18942(a)(8) would clarify that food, drink, entertainment and nominal benefits received by an official attending an event such as a wedding reception, birthday, holiday or other similar occasion, fall under the "gifts exchanged" exception and therefore are not subject to gift limits and reporting rules so long as the gifts exchanged are not substantially disproportionate in value. In addition, proposed amendments to regulation 18944 would add a specific provision stating that gifts given directly to an official but intended for use by the official's child, are gifts to the child. This is a codification of a 1976 formal FPPC opinion. (See agenda item #10.)

The agenda and supporting memoranda and materials are posted on the FPPC's website at *www.fppc.ca.gov*. Just click on "Agendas" on the left side of the home page and go to "Current Agenda." The agenda is posted on the website 10 days before the meeting, and letters commenting on agenda items are also posted when received.

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